

**CERTIFICATE OF FORMATION
NONPROFIT CORPORATION**

FILED
In the Office of the
Secretary of State of Texas

MAY 08 2015

Corporations Section

ARTICLE 1. ENTITY NAME AND TYPE

The filing entity being formed is a nonprofit corporation. The name of the entity is Mystic River Residential Community, Inc.

ARTICLE 2. REGISTERED AGENT AND REGISTERED OFFICE

The initial registered agent is an individual resident of the state whose name is Glenn A. Hodge.

The business address of the registered agent and the registered office address is 80 South Main Street, Salado, Texas 76571

ARTICLE 3. MANAGEMENT

The management affairs of the corporation is vested in the board of directors. The number of directors constituting the initial board of directors and the names and addresses of the person who are to serve as directors until the first annual meeting of members or until their successors are elected and qualified are as follows:

Donald R. Grobowsky
P.O. Box 966, Temple, Texas 76503-0966, USA

Glenn A. Hodge
P.O. Box 297, Salado, Texas 76571, USA

William B. Pipes
P.O. Box 1034, Salado, Texas 76571, USA

ARTICLE 4. MEMBERSHIP

The nonprofit corporation shall have members.

ARTICLE 5. PURPOSE

The Corporation is organized in accordance with, and shall operate for nonprofit purposes pursuant to, the Texas Business Organizations Code, and does not contemplate pecuniary gain or profit to its members. The Corporation is formed for the purpose of exercising all of the powers and privileges, and performing all of the duties and obligations of the Corporation as set forth in that certain Declaration of Covenants, Conditions and Restrictions for Mystic River Residential Community, Inc. recorded in the Real Property Records of Bell County, Texas, as the same may be amended from time to time (the "Declaration"). Without limiting the generality of the foregoing, the Corporation is organized for the following general purposes:

(a) to fix, levy, collect, and enforce payment by any lawful means all charges or assessments arising pursuant to the terms of the Declaration;

(b) to pay all expenses incident to the conduct of the business of the Corporation, including all licenses, taxes or governmental charges levied or imposed against the Corporation's property; and

(c) to have and to exercise any and all powers, rights and privileges which a corporation organized under the Texas Business Organizations Code may now, or later, have or exercise.

The above statement of purposes shall be construed as a statement of both purposes and powers. The purposes and powers stated in each of the clauses above shall not be limited or restricted by reference to, or inference from, the terms and provisions of any other such clause, but shall be broadly construed as independent purposes and powers.

ARTICLE 6. LIMITATION OF DIRECTOR LIABILITY

A director of the Corporation shall not be personally liable to the Corporation for monetary damages for any act or omission in his capacity as a director, except to the extent otherwise expressly provided by a statute of the State of Texas. Any repeal or modification of this Article shall be prospective only, and shall not adversely affect any limitation of the personal liability of a director of the Corporation existing at the time of the repeal or modification.

ARTICLE 7. INDEMNIFICATION

Each person who acts as a director, officer or committee member of the Corporation shall be indemnified by the Corporation against any costs, expenses and liabilities which may be imposed upon or reasonably incurred by him in connection with any civil or criminal action, suit or proceeding in which he may be named as a party defendant or in which he may be a witness by reason of his being or having been such director or officer or by reason of any action alleged to have been taken or omitted by him in either such capacity. Such indemnification shall be provided in the manner and under the terms, conditions and limitations set forth in the Bylaws of the Corporation.

ARTICLE 8. DISSOLUTION

The Corporation may be dissolved with the written and signed assent of not less than ninety percent (90%) of the total number of votes of the Corporation as determined under the Declaration. Upon dissolution of the Corporation, other than incident to a merger, or consolidation, the assets of the Corporation shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Corporation was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, Corporation, trust or other organization to be devoted to such similar purposes.

ARTICLE 9. MEMBERSHIP

Membership in the Corporation shall be dependent upon ownership of a qualifying property interest as defined and set forth in the Declaration. Any person or entity acquiring such a qualifying property interest shall automatically become a member of the Corporation, and such membership shall be appurtenant to, and shall run with, the property interest. The foregoing shall not be deemed or construed to include persons or entities holding an interest merely as security for performance of an obligation. Membership may not be severed from or in any way transferred, pledged, mortgaged, or alienated except together with the title to the qualifying property interest, and then only to the transferee of title to said property interest. Any attempt to make a prohibited severance, transfer, pledge, mortgage, or alienation shall be void.

ARTICLE 10. VOTING RIGHTS

Voting rights of the members of the Corporation shall be determined as set forth in the Declaration.

ARTICLE 11. ACTION WITHOUT MEETING

Any action required by law to be taken at any annual or special meeting of the members of the Corporation, or any action that may be taken at any annual or special meeting of the members of the Corporation, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the number of members having the total number of votes of the Corporation necessary to enact the action taken, as determined under the Declaration or this Certificate of Formation.

ARTICLE 12. AMENDMENT

Amendment of this Certificate of Formation shall be by proposal submitted to the membership of the Corporation. Any such proposed amendment shall be adopted only upon an affirmative vote by the holders of a minimum of two-thirds (2/3) of the total number of votes of the Corporation, as determined under the Declaration. In the case of any conflict between the Declaration and this Certificate of Formation, the Declaration shall control; and in the case of any conflict between this Certificate of Formation and the Bylaws of the Corporation, this Certificate of Formation shall control.

ARTICLE 13. INCORPORATOR

The name and street address of the incorporator is:

J. David Stanford, Attorney at Law
80 South Main Street
P.O. Box 1145
Salado, Texas 76571

ARTICLE 14. EFFECTIVENESS OF FILING

This document becomes effective when the document is filed by the secretary of state.

ARTICLE 15. EXECUTION

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized to execute the filing instrument.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand, this 9th day of MAY, 2015.



J. DAVID STANFORD, Incorporator